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3 **BEFORE THE ARIZONA CORPORATION COMMISSION**4 COMMISSIONERS5 LEA MÁRQUEZ PETERSON– CHAIRWOMAN
6 SANDRA D. KENNEDY
7 JUSTIN OLSON
8 ANNA TOVAR
9 JIM O’CONNOR10 IN THE MATTER OF THE APPLICATION OF
11 ARIZONA PUBLIC SERVICE COMPANY FOR A
12 HEARING TO DETERMINE THE FAIR VALUE OF
13 THE UTILITY PROPERTY OF THE COMPANY
14 FOR RATEMAKING PURPOSES, TO FIX A JUST
15 AND REASONABLE RATE OF RETURN
16 THEREON, AND TO APPROVE RATE
17 SCHEDULES DESIGNED TO DEVELOP SUCH
18 RETURN.

DOCKET NO. E-01345A-22-0144

19 **PROCEDURAL ORDER**
20 **(Sets a Hearing & Public Comment**
21 **Meetings)**22 **BY THE COMMISSION:**23 On June 1, 2022, Arizona Public Service Company (“APS”) filed with the Arizona Corporation
24 Commission (“Commission”) a Notice of Intent to File a Rate Case Application and Request to Open
25 Docket. As a result, this docket was opened.

26 On June 9, 2022, APS filed an Amended Notice of Intent to File a Rate Case.

27 On October 28, 2022, APS filed its Rate Application.

28 On November 3, 2022, a Consent to Email Service, signed by Vicki M. Baldwin as attorney,
was filed by Ms. Baldwin for Walmart Inc. (“Walmart”).On November 4, 2022, Walmart filed a Petition for Leave to Intervene, which was signed by
Richard J. Angell, who is a licensed Arizona attorney.¹Also on November 4, 2022, Freeport Minerals Corporation (“Freeport”) filed an Application
for Leave to Intervene and Consent to Email Service. Freeport’s designated email address has been
verified and has previously been included in a Global Consent to Email Service, making the Consent
to Email Service unnecessary.1 Walmart states that Mr. Angell will serve as local counsel to Walmart and will file a *pro hac vice* motion seeking
permission for Ms. Baldwin to represent Walmart in this case. Mr. Angell requests not to be placed on the service list for
the case so that he will not receive paper copies of any documents. As Mr. Angell is the only authorized legal representative
for Walmart at this time, Mr. Angell will be included on the service list as such until such time as another authorized legal
representative is identified.

On November 7, 2022, by Procedural Order, it was ordered that the Consent to Email Service filed by Ms. Baldwin as attorney for Walmart cannot be approved because Ms. Baldwin is not currently authorized to practice law in Arizona² and that if Walmart desires to consent to email service, Walmart must have an authorized legal representative file a Consent to Email Service or complete a Global Consent to Email Service.

On November 8, 2022, the Residential Utility Consumer Office (“RUCO”) filed an Application to Intervene.

Also on November 8, 2022, Brookfield Renewable, U.S. (“Brookfield”) filed a Consent to Email Service, signed by Cory Talbot, who is a licensed Arizona attorney. Because Brookfield has not requested or been granted intervention in this matter, and thus is not a party, no action will be taken on the Consent to Email Service at this time.³

On November 9, 2022, Wildfire (“Wildfire”) filed a Motion for Leave to Intervene.

Also on November 9, 2022, San Juan Citizens Alliance, Tó Nizhoní Ání, Diné C.A.R.E., and Black Mesa Trust (collectively “Citizen Groups”) filed a Motion for Leave to Intervene. .

On November 14, 2022, Southwest Energy Efficiency Project (“SWEEP”) filed a Motion for Leave to Intervene.

Also on November 14, 2022, the Kroger Co. (“Kroger”) filed a Petition for Leave to Intervene.

On November 15, 2022, the Federal Executive Agencies (“FEA”) filed an Application for Leave to Intervene.

On November 16, 2022, FEA filed a Consent to Email Service, signed by local counsel.

On November 17, 2022, by Procedural Order, intervention was granted to Walmart, Freeport, RUCO, Wildfire, and the Citizen Groups

On November 28, 2022, the Commission’s Utilities Division (“Staff”) filed a Letter of Sufficiency, stating that APS’s Application has met the sufficiency requirements as outlined in the

² Ariz. R. Sup. Ct. 39(a)(4) provides: “A non-member attorney shall make no appearance in a cause until the court, board, or administrative agency where the cause is pending enters the order granting the motion to associate counsel pro hac vice.”

³ The Commission does not include non-parties on its service lists. Non-parties who desire to receive notice of filings made in Commission cases are encouraged to sign up to follow the docket by going to the Commission website (azcc.gov), selecting “Cases and Open Meetings,” then selecting “Follow a Docket or Document Type,” and then completing the processes to create an ACC Portal account and follow a docket.

1 Arizona Administrative Code (“A.A.C.”) R14-2-103 and classifying APS as a Class A utility.

2 On December 1, 2022, by Procedural Order, intervention was granted to SWEEP, Kroger, and
3 FEA. FEA’s consent to email service was also approved.

4 Because extensive public interest in APS’s Application is anticipated, it is reasonable and
5 appropriate for the Commission to schedule several public comment meetings to be held at the
6 Commission’s offices in Phoenix at different times. A public comment meeting will also be held in
7 Phoenix on the first scheduled day of hearing, July 31, 2023. Additionally, it is reasonable and
8 appropriate to require APS to include information for the public comment meetings in the public notice
9 for this matter.

10 Pursuant to A.A.C. R14-2-103(B)(11)(a) and R14-3-101(C), the Commission issues this
11 Procedural Order to govern the preparation and conduct of this proceeding.

12 The Commission has determined that it is appropriate to provide the parties to each Utilities
13 Division case that will have a hearing the option to have their representatives and witnesses attend and
14 participate in the hearing in person or remotely via WebEx. If a party does not make a filing identifying
15 the manner in which its representatives and witnesses will participate during the hearing, the
16 Commission will expect the representatives and witnesses to participate in person. In-person
17 participation will only be permitted at the designated hearing location, not at another Commission
18 office.

19 IT IS THEREFORE ORDERED that the **hearing** in this matter shall commence on **July 31,**
20 **2023, at 10:00 a.m.,** at the Commission’s offices at 1200 West Washington Street, Phoenix, Arizona
21 85007, and shall continue, as necessary, at **9:00 a.m. on August 1-4, 7, 10-11, 14-18, 21-25, and 28-**
22 **31 and September 1, 2023.**

23 IT IS FURTHER ORDERED that the **prehearing conference** in this matter shall be held on
24 **July 27, 2023, at 10:00 a.m.,** at the Commission’s offices in Phoenix, Arizona.

25 IT IS FURTHER ORDERED that **Public Comment Meetings** concerning this matter shall be
26 held **at the Commission’s offices at 1200 West Washington Street, Phoenix, Arizona 85007** as
27 follows:
28

Date	Time
June 1, 2023	1:00 p.m. to 4:00 p.m., or until the last caller is finished speaking, whichever comes first
June 7, 2023	6:00 p.m. to 8:30 p.m., or until the last caller is finished speaking, whichever comes first
June 20, 2023	10:00 a.m. to 1:00 p.m., or until the last caller is finished speaking, whichever comes first
June 20, 2023	6:00 p.m. to 8:30 p.m., or until the last caller is finished speaking, whichever comes first
July 31, 2023	10:00 a.m. to 1:00 p.m., or until the last caller is finished speaking, whichever comes first

IT IS FURTHER ORDERED that both **telephonic and in-person** public comment may be made at the public comment meetings held **at the Commission's offices** in Phoenix.

IT IS FURTHER ORDERED that members of the public may participate in the public comment meetings telephonically by calling **1-877-309-3457** and using passcode **801972877##**.

IT IS FURTHER ORDERED that the **telephone line** for the public comment meetings shall be **opened no later than 30 minutes before** the start time for the meeting, to allow callers to get into the queue to speak.

IT IS FURTHER ORDERED that the Commission will impose a **3-minute time limit per speaker** to ensure that everyone who desires to speak has an opportunity to do so and that this time limit may be extended at the discretion of the presiding Administrative Law Judge.

IT IS FURTHER ORDERED that members of the public are **encouraged to use landline telephones** to call into the public comment meetings, as mobile telephones do not consistently provide adequate audio quality to permit the verbatim transcription of telephonic speech.⁴

IT IS FURTHER ORDERED that the **direct testimony** and associated exhibits to be presented at hearing on behalf of **Staff or an intervenor** on issues **other than rate design** shall be reduced to writing and filed on or before **May 22, 2023**.

IT IS FURTHER ORDERED that the **direct testimony** and associated exhibits to be presented

⁴ If a caller cannot be sufficiently understood to make an accurate transcription, the caller will be requested to file written comments in the docket.

1 at hearing on behalf of **Staff or an intervenor** on **rate design** issues shall be reduced to writing and
2 filed on or before **May 29, 2023**.

3 IT IS FURTHER ORDERED that any **rebuttal testimony** and associated exhibits to be
4 presented at hearing by **APS** shall be reduced to writing and filed on or before **June 23, 2023**.

5 IT IS FURTHER ORDERED that any **surrebuttal testimony** and associated exhibits to be
6 presented at hearing by **Staff or an intervenor** shall be reduced to writing and filed on or before **July**
7 **14, 2023**.

8 IT IS FURTHER ORDERED that any **rejoinder testimony** and associated exhibits to be
9 presented at hearing by **APS** shall be reduced to writing and filed on or before **July 24, 2023**.

10 IT IS FURTHER ORDERED that in preparing their testimonies, **APS and Staff shall ensure**
11 **compliance with the requirements of Decision No. 78382** (December 28, 2021) related to evaluation
12 of the reasonableness and prudence of costs and agreements included in APS's Power Supply Adjustor
13 that the Commission has not reviewed and deemed reasonable and prudent.

14 IT IS FURTHER ORDERED that **all testimony filed shall include a table of contents** listing
15 the issues discussed therein.

16 IT IS FURTHER ORDERED that **each party shall, by July 17, 2023**, file a list naming the
17 **witnesses the party anticipates cross examining** during the hearing.

18 IT IS FURTHER ORDERED that the **parties shall, preferably jointly, by July 24, 2023**, file
19 a **proposed schedule/s** showing the order of party presentations and the order of witnesses therein and,
20 if necessary, the proposed date/s certain for specific witnesses. The proposed schedule may include a
21 day or days dedicated to receiving the testimony of all witnesses addressing a specific topic.

22 IT IS FURTHER ORDERED that each party shall prepare a brief, **written summary** of the
23 prefiled testimony of each of its witnesses and shall file each summary by **July 24, 2023**.

24 IT IS FURTHER ORDERED that **each party shall prepare and file, by July 26, 2023, an**
25 **issues matrix** setting forth all disputed issues in the case in which the party has taken a position. Each
26 issues matrix shall indicate the position of each party on each disputed issue included and shall indicate
27 whether the disputed issue remains in dispute or has been resolved and, if resolved, in what manner.
28 Multiple parties may jointly prepare and provide an issues matrix if they are able to do so.

1 IT IS FURTHER ORDERED that any **objections to prefiled testimony or exhibits** shall be
2 made before or at the prehearing conference to be held in this matter.

3 IT IS FURTHER ORDERED that any **substantive corrections, revisions, or supplements to**
4 **prefiled testimony**, with the exception of rejoinder testimony, shall be reduced to writing and filed no
5 later than **July 27, 2023**. Substantive corrections, revisions, or supplements to prefiled rejoinder
6 testimony shall be reduced to writing and filed no later than the first day of hearing.

7 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,
8 except that **all motions to intervene must be filed on or before February 16, 2023**.

9 IT IS FURTHER ORDERED that **discovery** shall be as permitted by law and the rules and
10 regulations of the Commission, except that **until July 10, 2023**, any objection to discovery requests
11 shall be made within 7 calendar days of receipt,⁵ and responses to discovery requests shall be made
12 within 10 calendar days of receipt. Thereafter, objections to discovery requests shall be made within
13 5 calendar days, and responses shall be made within 7 calendar days. The response time may be
14 extended by mutual agreement of the parties involved.

15 IT IS FURTHER ORDERED that **July 25, 2023**, is the **last date** on which a party may serve a
16 discovery request, unless the party to whom the discovery request is directed agrees to receive it after
17 that date.

18 IT IS FURTHER ORDERED that for discovery requests, objections, and answers, if a receiving
19 party requests service to be made electronically, and the sending party has the technical capability to
20 provide service electronically, service to that party shall be made electronically.

21 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel
22 discovery, any party seeking resolution of a discovery dispute may telephonically contact the
23 Commission's Hearing Division to request a date for a procedural conference to resolve the discovery
24 dispute; that upon such a request, a procedural conference will be convened as soon as practicable; that
25 the party making such a request shall forthwith contact all other parties to advise them of the date and
26 time of the procedural conference and shall at the procedural conference provide a statement
27 _____

28 ⁵ The date of receipt of discovery requests is not counted as a calendar day, and requests received after 4:00 p.m. Arizona time will be considered as received the next business day.

1 confirming that the other parties were contacted and **explaining the good faith efforts made to resolve**
2 **the discovery dispute, which shall include reasonable attempts at verbal communication either**
3 **in person or by telephone.**⁶

4 IT IS FURTHER ORDERED that **APS shall, by January 16, 2023, establish an APS-hosted**
5 **Hearing Extranet Site** and an **APS-hosted Discovery Extranet Site** to be used by the parties to this
6 matter for purposes of exchanging exhibits and sharing discovery documents.

7 IT IS FURTHER ORDERED that **APS shall ensure** that each party representative and witness
8 has an opportunity to complete a **Rate Case Extranet Agreement** and a **Discovery Extranet**
9 **Agreement** (or a combined agreement) required by APS to access the APS Hearing Extranet Site and
10 the APS Discovery Extranet Site.

11 IT IS FURTHER ORDERED that **APS shall ensure** that each party representative and witness
12 that has completed a Rate Case Extranet Agreement (or combined agreement) has **access to the APS**
13 **Hearing Extranet Site**, to the extent necessary for the representative or witness to view each exhibit
14 or potential exhibit uploaded by any party for purposes of the hearing, with confidential exhibits to be
15 available to each representative and witness who has also completed a Protective Agreement.⁷

16 IT IS FURTHER ORDERED that **APS shall ensure** that each party representative and witness
17 that has completed a Discovery Extranet Agreement (or combined agreement) has **access to the APS**
18 **Discovery Extranet Site**, to the extent necessary for the representative or witness to view discovery
19 requests and responses uploaded by any party for purposes of this matter, with confidential information
20 to be available to each representative and witness who has also completed a Protective Agreement.⁸

21 IT IS FURTHER ORDERED that **each party shall, by June 30, 2023, file in this docket a**
22 **Notice** indicating the manner in which each of the party's representatives will participate in the
23 **prehearing conference** and the manner in which each of the party's representatives and each of the
24 party's witnesses will participate in the **hearing** (in-person in Phoenix or via WebEx).

25 IT IS FURTHER ORDERED that **each party shall comply with the following requirements,**
26

27 ⁶ The parties are encouraged to attempt to settle discovery disputes through informal, good-faith negotiations before seeking
Commission resolution of the controversy.

28 ⁷ The Administrative Law Judge ("ALJ") will not access the APS Hearing Extranet Site.

⁸ The ALJ will not access the APS Discovery Extranet Site.

regardless of whether any party or witness is to participate in the hearing remotely:

- By **July 27, 2023**, each party shall file in the docket each exhibit that the party anticipates using at hearing, with each exhibit labeled with the party's abbreviated name, followed by a dash (such as "A-" for Applicant, "S-" for Staff, and "RUCO-" for RUCO) and then a consecutive number.
- By **July 27, 2023**, each party shall file an exhibit list, in table format, including the following separate columns and the appropriate information for each exhibit the party anticipates using at hearing:

Exhibit Number	Description	Date filed	Identified	Offered	Admitted	Witness
<i>X-1</i>	<i>X's Application</i>	<i>6/25/2023</i>	Leave Blank	Leave Blank	Leave Blank	Leave Blank
<i>X-2</i>	<i>Testimony of John Doe</i>	<i>7/25/2023</i>	Leave Blank	Leave Blank	Leave Blank	Leave Blank

- By **July 27, 2023**, each party shall provide to all other parties a list of the email addresses for the party's representatives and witnesses, to be used for exchange of late exhibits or other urgent information concerning the hearing.
- Each party shall ensure that **two labeled physical copies** of each of the party's exhibits are delivered to the Hearing Division for use by the court reporter and the ALJ, with the labeled exhibits to be delivered to the Hearing Division no later than 4:00 p.m. on July 27, 2023, and with any purportedly confidential information redacted. If a portion of an exhibit is purported to be confidential, **one confidential copy** shall be provided under seal, in addition to the two redacted copies.
- Each party shall ensure that for each subsequently identified exhibit potentially to be used by the party, the following are completed **before** the party uses the exhibit during the hearing:
 - **Two labeled physical copies** are delivered to the Hearing Division;
 - The labeled exhibit is filed in the docket; and
 - A new exhibits table that conforms to the format set forth above, and that starts with the number of the first **new** exhibit, is filed in the docket.

1 IT IS FURTHER ORDERED that each party shall, **by July 5, 2023, email** to the Commission's
2 Broadcast Manager Mike Valladao, at MValladao@azcc.gov, **a list of the names and email addresses**
3 of each of the party's representatives and witnesses who will participate in the prehearing or the hearing
4 via WebEx.

5 IT IS FURTHER ORDERED that **each party whose representative is participating via**
6 **WebEx shall comply with the following requirements:**

- 7 • At a time designated by the Commission's broadcasting personnel as specified in an emailed
8 WebEx invitation, each party representative planning to participate via videoconference, and
9 who has not successfully participated via videoconference in a prior Commission hearing, shall
10 log into and participate in a brief WebEx test to ensure that the party representative has the
11 technological capability to participate in a proceeding via WebEx.
- 12 • At least 15 minutes before the starting time on the date of prehearing and each day of hearing,
13 each party representative appearing via WebEx shall log into the WebEx event for the day,
14 using the WebEx invitation sent to the party representative by the Commission's broadcasting
15 personnel.

16 IT IS FURTHER ORDERED that **each party with a witness testifying via WebEx shall**
17 **comply with the following requirements:**

- 18 • At a time designated by the Commission's broadcasting personnel as specified in an emailed
19 WebEx invitation, each party shall have each witness planning to participate via
20 videoconference, and who has not successfully participated via videoconference in a prior
21 Commission hearing, log into and participate in a brief WebEx test to ensure that the witness
22 has the technological capability to participate in a proceeding via WebEx.
- 23 • At least 15 minutes before the starting time on each day of hearing, each party with witnesses
24 testifying via videoconference shall forward the WebEx invitation for the day to each of the
25 party's witnesses who is reasonably expected to testify via WebEx on that day.
- 26 • Each party with witnesses testifying via videoconference shall ensure that whenever any of the
27 party's witnesses is expected or scheduled to testify, that party witness is logged into the WebEx
28 event for the day, at least 15 minutes in advance of the time for the witness's expected or

1 scheduled testimony, and has ready access to each exhibit filed by each party up to that time.
2 “Ready access” means that the party’s witness is able to view specific pages of an exhibit
3 promptly when requested to do so. *This may require the party representative to provide the*
4 *party’s witness hard copies or downloaded copies of exhibits in advance so that it is not*
5 *necessary for the party’s witness to download them during the hearing.*

6 IT IS FURTHER ORDERED that each party shall ensure that its representatives and witnesses
7 **comply with the requests of the Commission’s Broadcast Manager** and broadcasting personnel
8 related to the use of WebEx to participate in the hearing.

9 IT IS FURTHER ORDERED that a party **may, by July 5, 2023, file a motion** requesting
10 permission for a party representative or witness **to appear telephonically** and explaining the good
11 cause for the request and why the representative’s or witness’s telephonic appearance will not adversely
12 impact the Commission or any other party to this matter. Any telephonic appearance must be approved
13 by the Administrative Law Judge.

14 IT IS FURTHER ORDERED that **all filings shall be made by 4:00 p.m.** on the date the filing
15 is due.

16 IT IS FURTHER ORDERED that any motion, other than a dispositive motion, that is filed in
17 this matter and that is not ruled upon within 20 calendar days of the filing date of the motion shall be
18 deemed denied.

19 IT IS FURTHER ORDERED that any response to a motion other than a dispositive motion
20 shall be filed within seven calendar days of the filing date of the motion.

21 IT IS FURTHER ORDERED that any response to a dispositive motion shall be filed within 10
22 calendar days of the filing date of the motion.

23 IT IS FURTHER ORDERED that any reply to a response shall be filed within five calendar
24 days of the filing date of the response.

25 IT IS FURTHER ORDERED that **APS shall provide public notice of the hearing and public**
26 **comment meetings** in this matter, in the following form and style, with the heading in no less than 12-
27 point bold type and the body in no less than 10-point regular type:
28

**PUBLIC NOTICE OF HEARING AND PUBLIC COMMENT MEETINGS ON
ARIZONA PUBLIC SERVICE COMPANY (“APS”) RATE APPLICATION.
(DOCKET NO. E-01345A-22-0144)**

Summary

On October 28, 2022, APS filed with the Arizona Corporation Commission (“Commission”) a Rate Application (“Application”) requesting approval of rates, charges, and schedules that would result in an annual increase in revenue from base rates of \$772.27 million, or 22.9%. The Application uses a test year ending June 30, 2022. APS reports that the net revenue increase experienced by customers would be significantly lower, at \$459.94 million, or 13.62%, because of a test year adjustor revenue transfer (-\$107.83 million), a Power Supply Adjustment Mechanism (“PSA”) revenue reduction (-\$220.59 million), and a Renewable Energy Standard Adjustment Clause (“REAC”) revenue increase (+\$16.09 million).

The Application proposes a return on equity of 10.25%, a 7.17% weighted average cost of capital, and a return on the fair value increment of 1.0%, resulting in a proposed fair value rate of return of 4.92% on a proposed fair value rate base of \$16.6 billion. APS reports a test year fair value rate of return of 1.43%.

Adjustor Mechanisms

APS proposes:

- To eliminate the Environmental Improvement Surcharge adjustor mechanism (“EIS”) and have \$10.3 million in test year EIS-eligible costs recovered through base rates;
- To eliminate the Lost Fixed Cost Recovery Mechanism (“LFCR”), have \$58.5 million of test year LFCR-eligible costs recovered through base rates, and have future LFCR-eligible costs recovered through a revised Demand Side Management Adjustment Charge (“DSMAC”);
- To increase the DSMAC-eligible costs recovered through base rates from \$20 million to \$59.4 million;
- To revise the DSMAC performance incentive to align better with peak load reduction goals and change its annual processing schedule;
- To revise the REAC to allow recovery of the capital carrying costs of new APS-owned clean energy resources and energy storage facilities, to recover Coal Community Transition obligations, and to change its annual processing schedule;
- To retain the PSA and increase the base fuel and chemical rates, with a corresponding reduction to the PSA;
- To retain the Transmission Cost Adjustment mechanism (“TCA”); and
- To retain the Tax Expense Adjustor Mechanism (“TEAM”), which is set at zero.

Limited-Income Residential Customer Assistance Programs

APS proposes to change its current Energy Support Program to a two-tiered program that would provide a 60% monthly bill discount (capped at \$165 per month) to customers with verified income levels up to 75% of the federal poverty level (“FPL”) and a 25% monthly bill discount (capped at \$95 per month) to customers with income levels of 76% to 200% of the FPL. Customers with income levels of 76% to 200% of the FPL who

have qualifying medical equipment would receive the current 35% discount (with a new cap of \$95 per month).

AG-X Program

APS proposes to modify its AG-X program:

- By providing AG-X customers two resource adequacy options (provided by APS or provided by the customer) and corresponding reserve capacity rates, to facilitate eliminating the \$15 million currently being recovered through the PSA mechanism;
- By reducing the AG-X administrative management fee;
- By requiring longer notice to leave the AG-X program for AG-X customers who provide their own resource adequacy; and
- By expanding AG-X program eligibility.

Coal Community Transition (“CCT”)

APS requests approval of those portions of the CCT proposal from its last rate case that the Commission did not approve in Decision No. 78317 (November 9, 2021), specifically requesting to recover \$106.5 million from ratepayers through the REAC over nine years, with \$16.09 million to be recovered in year one.

Residential Rate Design Changes

APS proposes to eliminate credit card fees and in-person kiosk fees and to provide two additional off-peak holidays for time-of-use rate plans.

Bill Impacts

The following table shows APS’s proposed revenue increase percentages for customer classes:

Customer Class	Requested Retail Revenue Increase for Class as a Whole
Residential	22.79%
General Service	
XS, S	23.75%
M	23.58%
L	22.30%
XL	20.88%
Schools	24.17%
Houses of Worship	23.75%
Irrigation/Municipal	27.59%
Outdoor Lighting	17.67%
Total Retail	22.87%

The actual impact of the proposed revenue increase on any customer’s bill depends on the customer’s rate plan and usage.

For example, a residential customer on the “Time-of-Use 4PM to 7PM Weekdays” plan would see a 25% increase in basic service charge, approximately a 24% increase in on-peak energy charges per kWh (summer and winter), approximately a 22.4% increase in

off-peak energy charges per kWh, and a 16.1% increase in super off-peak energy charge per kWh.

A residential customer on the "Fixed Energy Charge Plan" would see an increase in basic service charge by 24.4-25% (depending on tier) and an increase in energy charge per kWh of 22.6-22.7% (depending on tier).

Other Requests

APS also proposes to modify several service schedules, to modify decommissioning funding allocations for the Palo Verde Generating Station, to eliminate several Commission-required compliance and reporting requirements, and to defer Energy Support Program costs for possible recovery or refund in a future rate case.

NEITHER THE COMMISSION'S UTILITIES DIVISION ("STAFF") NOR ANY INTERVENOR HAS YET MADE ANY RECOMMENDATION REGARDING APS'S APPLICATION. THE COMMISSION IS NOT BOUND BY THE PROPOSALS OF COMPANY, STAFF, OR ANY INTERVENORS. THE COMMISSION WILL DETERMINE THE APPROPRIATE RELIEF TO BE GRANTED IN RESPONSE TO APS'S APPLICATION BASED ON THE EVIDENCE PRESENTED IN THIS MATTER. THE FINAL RATES APPROVED BY THE COMMISSION MAY BE HIGHER, LOWER, OR DIFFERENT THAN THE RATES PROPOSED BY COMPANY OR BY OTHER PARTIES.

If you have any questions concerning how the Application may affect your bill or other substantive questions about the Application, you may contact APS at: **[COMPANY MUST INSERT NAME, ADDRESS, TELEPHONE NUMBER, AND E-MAIL ADDRESS FOR CUSTOMER CONTACTS CONCERNING THE APPLICATION].**

How You Can View or Obtain a Copy of the Application

Copies of the Application are available from APS **[INSERT HOW AND WHERE AVAILABLE]**; at the Commission's Docket Control Center at 1200 West Washington Street, Phoenix, Arizona, and its Tucson office at 400 West Congress Street, Suite 218, Tucson, Arizona, during regular business hours; and on the Commission website (www.azcc.gov) using the e-Docket function.

Public Comment Meetings at Commission Offices

The Commission will hold the following public comment meetings in this matter **at the Commission's offices at 1200 West Washington Street, Phoenix, Arizona 85007:**

Date	Time
June 1, 2023	1:00 p.m. to 4:00 p.m., or until the last caller is finished speaking, whichever comes first
June 7, 2023	6:00 p.m. to 8:30 p.m., or until the last caller is finished speaking, whichever comes first
June 20, 2023	10:00 a.m. to 1:00 p.m., or until the last caller is finished speaking, whichever comes first
June 20, 2023	6:00 p.m. to 8:30 p.m., or until the last caller is finished speaking, whichever comes first
July 31, 2023	10:00 a.m. to 1:00 p.m., or until the last caller is finished speaking, whichever comes first

During public comment meetings at the Commission's offices, **both telephonic and in-person** public comment may be provided.

To provide **telephonic** public comments, call **1-877-309-3457** and use passcode **801972877##**.

If you plan to attend a public comment meeting held at the Commission's Phoenix offices in person, please complete a **"Request to Speak"** on one of the kiosks in the lobby at the Commission's Phoenix office or on any computer or mobile device through the ACC Portal (available on the Commission's website (www.azcc.gov) using "Cases and Open Meetings" and "Request to Speak at Open Meetings").

Written public comments may be submitted by mailing a letter referencing **Docket No. E-01345A-22-0144** to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by submitting comments on the Commission's website (www.azcc.gov) using "Cases and Open Meetings" and "Make a Public Comment in a Docket." If you require assistance, you may contact the Consumer Services Section at 602-542-4251 or 1-800-222-7000.

The Commission will impose a **3-minute time limit per speaker** to ensure that everyone who desires to speak has an opportunity to do so.

Commission Public Hearing Information

The Commission will hold a hearing on this matter beginning **July 31, 2023, at 10:00 a.m.**, at the Commission's offices at 1200 West Washington Street, Phoenix, Arizona 85007.

If you do not intervene in this proceeding, you will receive no further notice of the proceedings in this docket unless you sign up to Follow the Docket. However, all documents filed in this docket are available online (usually within 24 hours after docketing) at the Commission's website (www.azcc.gov) using the e-Docket function. **Information on how to Follow a Docket is available on the Commission's website using "Cases and Open Meetings" and "Follow a Docket or Document Type."**

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested persons may intervene. An interested person may be granted intervention if the outcome of the case will directly and substantially impact the person, and the person's intervention will not unduly broaden the issues in the case. Intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other parties' witnesses. **Intervention is not required for you to attend the hearing and provide public comment, to file written comments in the record of the case, or to receive emailed notice of each filing made in the case by following the docket.**

Information about what intervention means, including an explanation of the rights and responsibilities of an intervenor, is available on the Commission's website (www.azcc.gov) by clicking on "Cases and Open Meetings" and then clicking on "Intervene in a Case." The information includes a Sample Intervention Request and a Fillable Intervention Request Form.

To request intervention, you must file a written request to intervene, either (a) by filing a hard copy request (meeting filing requirements) with Docket Control (Docket Control, 1200 West Washington, Phoenix, AZ 85007), or (b) by **eFiling** the request. Your request **must be filed or eFiled no later than February 16, 2023**. Instructions and restrictions

for eFiling are available on the Commission's website at <http://azcc.gov/hearing/efile-for-utilities-instruction>. You also **must** serve a copy of the request to intervene on each party of record, on the same day that you file the request to intervene with the Commission.

Your request to intervene **must** contain the information below:

1. Your name, address, and telephone number;
2. The docket number for the case in which you are requesting to intervene;
3. A short statement explaining:
 - a. Your interest in the proceeding (e.g., a customer of APS),
 - b. How you will be directly and substantially affected by the outcome of the case, and
 - c. Why your intervention will not unduly broaden the issues in the case;
4. A statement certifying that you have sent a copy of your request to intervene to APS's attorney and to the representatives for all other parties of record in the case; and
5. If you are not represented by an attorney who is an active member of the Arizona State Bar, and you are not representing yourself as an individual, sufficient information and any appropriate documentation to demonstrate compliance with Arizona Supreme Court Rules 31.1, 31.2, 31.3, 38, 39, and 42, as applicable. This only applies if you are NOT representing yourself and you are not an Arizona-licensed attorney.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before **February 16, 2023**.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Carolyn Buck, E-mail ADACoordinator@azcc.gov, voice phone number 602-542-2247. Requests should be made as early as possible and no later than 48 hours in advance of the event to allow time to arrange the accommodation.

IT IS FURTHER ORDERED that **APS** shall **mail** or **email** to each of its customers (with the method based on how the customer is billed) a copy of the above notice, as a bill insert beginning with the first available billing cycle or as a separate mailing or email, and shall cause a copy of such notice to be **published at least once in a newspaper/s of general circulation in each county⁹ in which APS provides service**, with mailing and publication to be completed no later than **January 16, 2023**.

IT IS FURTHER ORDERED that **APS** shall **post a copy of the above notice on its website**, with a **link** to the notice reading **"APS Rate Application filed October 2022"** displayed in a **prominent location** on its main webpage that is viewable without scrolling down on the main webpage

⁹ The Arizona Republic does not certify that it is a newspaper of general circulation in each Arizona county.

1 and **shall maintain the notice** on the website until this matter is concluded through a Commission
2 Decision approving rates and charges.

3 IT IS FURTHER ORDERED that **APS** shall file **certification of mailing and publication** as
4 soon as possible after the mailing and publication have been completed, but no later than **February**
5 **16, 2023.**

6 IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing and
7 publication of same, notwithstanding the failure of an individual customer to read or receive the notice.

8 IT IS FURTHER ORDERED that each party or prospective party shall **refer to the**
9 **Commission's website** for information regarding **Global Consent to Email Service**¹⁰ **and how to**
10 **Follow the Docket.**¹¹ Information regarding Global Consent to Email Service and how to Follow the
11 Docket is available on the Commission's website (www.azcc.gov) by clicking on "**Cases and Open**
12 **Meetings**" and then clicking on "**Globally Consent to Email Service**" or "**Follow a Docket or**
13 **Document Type.**"

14 IT IS FURTHER ORDERED that **documents may be eFiled** in this docket and that instructions
15 and restrictions for eFiling are available on the Commission's website at [http://azcc.gov/hearing/efile-](http://azcc.gov/hearing/efile-for-utilities-instruction)
16 [for-utilities-instruction.](http://azcc.gov/hearing/efile-for-utilities-instruction)

17 **IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court**
18 **Rules 31.1, 31.2, 31.3, 38, 39, and 42 with respect to the practice of law and admission *pro hac***
19 **vice.**

20 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance
21 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Arizona
22 Supreme Court Rule 42). Representation before the Commission includes appearances at all hearings
23 and procedural conferences, as well as all Open Meetings for which the matter is scheduled for
24 discussion, unless counsel has previously been granted permission to withdraw by the Administrative
25 Law Judge or the Commission.

26
27 ¹⁰ Global Consent to Email Service allows a party to consent to receive email service in all cases for which the party is
included on the service list, now or in the future.

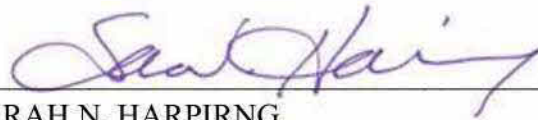
28 ¹¹ The "Follow a Docket" service allows any person to receive email notice, with a link to the filing, whenever something
is filed in the docket. The service can be used to follow one or many dockets.

1 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized
2 Communications) applies to this proceeding and shall remain in effect until the Commission's Decision
3 in this matter is final and non-appealable.

4 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended
5 pursuant to Rule 6(a)(2) or (c) of the Arizona Rules of Civil Procedure.

6 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or
7 waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at
8 hearing

9 DATED this 2nd day of December, 2022.

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11 

12 SARAH N. HARPIRNG
13 ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE
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On this 2nd day of December, 2022, the foregoing document was filed with Docket Control as a Procedural Order – Sets a Hearing, and copies of the foregoing were mailed on behalf of the Hearing Division to the following who have not consented to email service. On this date or as soon as possible thereafter, the Commission's eDocket program will automatically email a link to the foregoing to the following who have consented to email service.

Melissa M. Krueger
Theresa Dwyer
Jeffrey S. Allmon
PINNACLE WEST CAPITAL CORPORATION
400 North 5th Street, MS 8695
Phoenix, AZ 85004
Attorneys for Arizona Public Service Company
Melissa.Krueger@pinnaclewest.com
Theresa.Dwyer@pinnaclewest.com
Jeffrey.Allmon@pinnaclewest.com
Rodney.Ross@aps.com
Ratecase@aps.com
Consented to Service by Email

Richard J. Angell
PARSONS BEHLE AND LATIMER
201 South Main Street, Suite 1800
Salt Lake City, UT 84111
Attorney for Walmart, Inc.

Patrick J. Black
Lauren A. Ferrigni
FENNEMORE
2394 E. Camelback Road, Suite 600
Phoenix, AZ 85016
Attorneys for Freeport Minerals Corporation
PBlack@fennemorelaw.com
LFerrigni@fennemorelaw.com
khiggins@energystrat.com
Consented to Service by Email

Daniel W. Pozefsky, Chief Counsel
RESIDENTIAL UTILITY CONSUMER OFFICE
1110 West Washington, Suite 220
Phoenix, AZ 85007
dpozefsky@azruco.gov
procedural@azruco.gov
mhightower@azruco.gov
lwoodall@azruco.gov
rdela Fuente@azruco.gov
Consented to Service by Email

Tim Hogan
Chanele N. Reyes
ARIZONA CENTER FOR LAW IN THE PUBLIC INTEREST
352 E. Camelback Road, Suite 200
Phoenix, AZ 85012
Attorneys for Wildfire; San Juan Citizens Alliance, Tó Nizhoní Aní, Diné C.A.R.E., and Black Mesa Trust; and Southwest Energy Efficiency Project
thogan@aclpi.org
chanele@aclpi.org
czwick@wildfireaz.org
Consented to Service by Email

John William Moore, Jr.
LAW OFFICE OF JOHN W. MOORE
5110 North 40th St., Suite 210
Phoenix, AZ 85018
Attorney for The Kroger Co.

Karen S. White
AFIMSC/JAQ
139 Barnes Dr., Suite 1
Tyndall Air Force Base, FL 32403
Attorney for the Federal Executive Agencies
karen.white.13@us.af.mil
holly.buchanan.1@us.af.mil
marcus.duffy.3@us.af.mil
thomas.jernigan.3@us.af.mil
ebony.payton.ctr.@us.af.mil
rafael.franjul@us.af.mil
ulfsc.tyndall@us.af.mil
Consented to Service by Email

Robin Mitchell, Director
Legal Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, AZ 85007
LegalDiv@azcc.gov
utildivservicebyemail@azcc.gov
Consented to Service by Email

1 GLENNIE REPORTING SERVICES, LLC
2 1515 East Orangewood
3 Phoenix, AZ 85020
4 **Emailed as a courtesy**

5 By:

6 Grace Beltran
7 Assistant to Sarah N. Harpring
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